

## Water Resources Program Application for a Water Right Permit

FECE Mer Leongy Use

OCT 1 2 2011

Water Re n Department of Euclosy

RECEIVED

☐ SURFACE WATER ☐ GROUND WATER ☐ TEMPORARY ☐ SHORT TERM		DEPARTMENT OF ECOLOGY - CENT
Follow the attached instructions. Attach addit		sary.
*A NON-REFUNDABLE MINIMUM FEE OF \$50.00 MUST	T ACCOMPANY T	HIS APPLICATION.
Section 1. APPLICANT		
Applicant/Business Name:	Phone No:	Other No:
Mark and Maria Wald	(701) 390-7543	Outer 110.
Address: 1501 35 <sup>th</sup> Avenue S.		
City: Seattle	State: WA	Zip:98144
Email Address (optional): markwald@msn.com		7
	DI	Od N
Contact Name (if different from above):  Jessica Kuchan	Phone No: 206-838-7650	Other No: Fx: 206-838-7655
Mentor Law Group PLLC	200-050-7050	FA. #00-030-7033
Relationship to Applicant: Attorney representing seller of mitigation v	vater	
Address: 315 Fifth Ave S., Ste 1000		
City: Seattle	State: WA	Zip: 98104
Email Address (optional): kuchan@mentorlaw.com		
Legal Land Owner or Part Owner Name of the Proposed Place of Use:	Phone No:	Other No:
Same Address:		
Address.		
City:	State:	Zip:
Email Address (optional):		
Section 2. STATEMENT OF INTENT		
Briefly describe the purpose of your proposed project: <b>To obtain a</b>	permit for one resi	dence with 500 square
Teet (s.f.) of irrigated area. This application can receive priorit		
In order to address impacts for the new use sought by this p	егин, тие аррисант	suggests the following
orms of mitigation:		
1. Mitigation provided by Suncadia, LLC to address impa	acts to the Yakima R	River Basin.
2. Mitigation to address the impacts within the Tillman C	reek basin.	
3. To install water meter and report water use.		
	2 12 3	E Sa
For Ecology Use  APPLICATION NO: 64-35530  Fee Paid: 50.00 Check No: 2170		SEPA: Exempt/Not Exempt
Fee Paid: 50.00 Check No: 2170	ECY Coding: 001-	001-WR1-0285-000011
Fee Paid: Check No: 2170	ECY Coding: 001-	001-WR1-0285-000011

Priority Date 10-12-2011 By

Date Returned

Anticipated length of time to complete your project: 10 years

Water Use List all purposes for which water will be applied to a beneficial use and list quantity required for each.

Purpose(s) of Use	Rate (check one box only)  Cubic Feet per Second (CFS)  Gallons per Minute (GPM)	Acre-Feet per Year (AF/YR) (If known)	Period of Use (Continuously or Seasonal)
Domestic	10 gpm	0.392/ 0.12 (CU)	Continuously
Irrigation	10 gpm	0.022/ 0.019 (CU)	Seasonal
			The state of the s
			40 ° 1,3 4,4 1
TOTAL:	10 gpm	0.414/ 0.137 (CU)	

TOTAL:	10 gpm	0.414/ 0.137 (CU)	
Short Term/Temporary Water U	J <u>se</u>		
Is this a request for a short term pr	oject (less than four	r months and non-recurring)? 🗌 YES 🔯 N	(O
Is this request for a temporary perr	nit? TYES NO	O	
If yes to either question above, ind	icate the dates that	the water will be needed:	
FROM:/TO: _			

For Ecology Use	APPLICATION N	10:			SEPA: Exempt/Not Exempt
	Fee Paid:	Cho	eck No:	ECY Co	ding: 001-001-WR1-0285-000011
Date Returned		Ву	Priority Date	By	WRIA:

[2]

#### (Complete A or B, and C below) A.) If Surface Water Source B.) If Ground Water Source Spring Creek River Lake Well(s) Other: Other: Well diameter & depth: 6" x 170' Source Name: Number of proposed points of withdrawal: 1 Tributary to:\_ Do you have an existing well? XES NO Number of proposed diversion points: If available, attach Water Well Report and pump test. Do you have an existing diversion? YES NO Well Tag ID No.APG-117 C.) Point of Diversion/Withdrawal - Legal Description Parcel No. Section 1/4 Township Range County 11823 NE NW 19 N 15 E Kittitas Lot(s) Subdivision Block(s) If known, enter the distances in feet from the point of diversion or withdrawal to the nearest section corner: Feet ( North South) and feet ( East West) from the (NW SW NE SE ) corner of Section Parcel No. Township Section Range County Subdivision Lot(s) Block(s) If known, enter the distances in feet from the point of diversion or withdrawal to the nearest section corner: feet (North/South) and feet (East/West) from the (NW SW NE SE ) corner of Section NOTE: If more than two points of diversion/withdrawal attach additional information on a separate sheet of paper. Do you own the land on which the proposed point of diversion/withdrawal is located? XES NO If no, do you have legal authority to make this application for use of another's land? \(\subseteq\) YES \(\subseteq\) NO Provide the owner name(s), address, and phone number: Section 4. PLACE OF USE Attach a copy of the legal description of the property (on which the water will be used) taken from a real estate contract, property deed or title insurance policy, or copy it carefully in the space below. Parcel 2 of that certain Survey as recorded September 30, 2004, in Book 30 of Surveys, pages 147-149, under Auditors File No. 200409300027, records of Kittitas County, Washington; being a portion of Section 9, Township 19 North, Range 15 E.W.M., in the County of Kittitas, State of Washington. County Section Twp. Range Parcel No. NW 19 N 15 E Kittitas 11823 Do you own all the lands on which the proposed place of use is located? XES NO. For Ecology APPLICATION NO: SEPA: Exempt/Not Exempt Use ECY Coding: 001-001-WR1-0285-000011 Fee Paid: Check No: Priority Date WRIA: Date Returned By

Section 3. POINT OF DIVERSION OR WITHDRAWAL

yes, provide the water right and/or claim numbers: I	with this property or water system?  YES NO N/A
attach a map of your project showing the point of e sure to include a complete copy of the plat map.	diversion/withdrawal and place of use. If platted prope
Section 5. WATER SYSTEM DESCRIP	PTION
	nd size of devices used to divert or withdraw water from
Section 6. DOMESTIC WATER SUPI (Complete A or B, and C below)	PLY SYSTEM INFORMATION
A.) Domestic Water Systems only	B.) Municipal Water Systems only (defined under RCW 90.03.015)
Projected number of connections to be served:  One (as part of Group B)	Present population to be served water:
Type of connections: Residence	Estimate future population to be served:  (20 year projection)
(e.g., home, recreational cabin)	(20 year projection)
(e.g., home, recreational cabin)  C.) Water System Planning	(20 year projection)
C.) Water System Planning  Do you have a Water System Plan approved by the Vivision?  YES NO	Washington State Department of Health, Drinking Water  Water System Number:
C.) Water System Planning  Do you have a Water System Plan approved by the Volvision?  YES NO  If yes, date plan was approved//	Washington State Department of Health, Drinking Water  Water System Number:
C.) Water System Planning  Do you have a Water System Plan approved by the Volvision? YES NO  If yes, date plan was approved/	Washington State Department of Health, Drinking Water  Water System Number:  system?  YES  NO  system:
C.) Water System Planning  Do you have a Water System Plan approved by the Volvision? YES NO  If yes, date plan was approved/	Washington State Department of Health, Drinking Water  Water System Number:  system?   YES  NO  system:
C.) Water System Planning  Do you have a Water System Plan approved by the Volvision? YES NO  If yes, date plan was approved/	Washington State Department of Health, Drinking Water  Water System Number:  system?  YES  NO  system:
C.) Water System Planning  Do you have a Water System Plan approved by the Volvision?  YES NO  If yes, date plan was approved//  Name of water system:  Are you within the service area of an existing water  If yes, explain why you are unable to connect to the	Washington State Department of Health, Drinking Water  Water System Number:  system?
C.) Water System Planning  Do you have a Water System Plan approved by the Volvision?  YES NO  If yes, date plan was approved//  Name of water system:  Are you within the service area of an existing water  If yes, explain why you are unable to connect to the	Washington State Department of Health, Drinking Water  Water System Number:  system?  YES NO  system:
C.) Water System Planning  Do you have a Water System Plan approved by the Volvision?  YES NO  If yes, date plan was approved//  Name of water system:  Are you within the service area of an existing water  If yes, explain why you are unable to connect to the	Washington State Department of Health, Drinking Water  Water System Number:  system?

List number and kind of stock: N/A
Is the proposed project for a dairy farm?   YES   NO
Other Proposed Farm Uses Describe all proposed uses: N/A
Family Farm Water Act (RCW 90.66):
<ul> <li>Calculate the acreage in which you have a controlling interest, including only:</li> <li>Acreage irrigated under water rights acquired after December 8, 1977,</li> <li>Acreage proposed to be irrigated under this application, and</li> <li>Acreage proposed to be irrigated under other pending application(s).</li> </ul>
Is the combined acreage under existing rights greater than 6000 acres?   YES   NO
Do you have a controlling interest in a Family Farm Development Permit?   YES  NO  If yes, enter Permit No:
Section 8. OTHER WATER USES
Hydropower  Indicate total feet of head N/A and proposed capacity in kilowatts:  Describe works:
Indicate all uses to which power is to be applied:
FERC License No:
Mining/Industrial Use Describe use, method of supplying and utilizing water: N/A
Other Use
N/A
Section 9. WATER STORAGE
Will you be using a dam, dike, or other structure to retain or store water? XES NO
Are you proposing to store more than 10 acre-feet of water?   YES   NO
Will the water depth be 10 feet or more? ☐ YES ☒ NO
If you answered yes to any of the above questions, please describe: <u>In-basin mitigation</u> .
minutes and the second
NOTE: If you will be storing 10 acre-feet or more of water and/or if the water depth will be 10 feet or more at the deepest p and some portion of the storage will be above grade, you must also complete an Application for Permit to Construct a Reservoir and a Dam Construction Permit and Application.

## **Section 10. DRIVING DIRECTIONS**

Provide detailed driving directions to the project site: From Interstate 90 heading east, take exit 84. Turn right towards Cle Elum. Turn left onto 1st Ave; turn left on South Cle Elum Way; Turn Right on Madison Street; turn left onto Westside Road; Turn left on Rd 3550; Turn left into Tillman Creek.

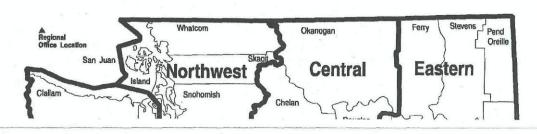
Site Address: Rocky Mountain Way, Cle Elum, Washington, 98922

## Section 11. REQUIRED SIGNATURES

I certify that the information provided in this application is true and accurate to the best of my knowledge. I understand that in order to process my application, I grant staff from the Department of Ecology access to the site for inspection and monitoring purposes. Even though the employees of the Department of Ecology may have assisted me in the preparation of the above application, all responsibility for the accuracy of the information rests with me, the applicant.

Mark Wald	MMMM 11	8-27-11
Print Name	Signature	Date
(Applicant or authorized representative)		
Mark Wald	Nall	8-27-11
Print Name	Signature	Date
(Legal Owner or Part Owner Place of Use)		
Maria Wald		
Print Name	Signature	Date
(Legal Owner or Part Owner Place of Use)		
Print Name	Signature	Date
(Legal Owner or Part Owner Place of Use)		

	Please check the region in which the project is located:	
*Submit your application to:  DEPARTMENT OF ECOLOGY CASHIERING SECTION PO BOX 47611	<ul><li>✓ Central Regional Office</li><li>15 W Yakima Avenue, Suite 200</li><li>Yakima, WA 98902</li><li>(509) 575-2490</li></ul>	Eastern Regional Office 4601 N. Monroe Spokane, WA 99205-1295 (509) 329-3400
OLYMPIA, WA 98504-7611	Northwest Regional Office 3190 – 160 <sup>th</sup> Avenue SE Bellevue, WA 98008-5452 (425) 649-7000	Southwest Regional Office PO Box 47775 Olympia, WA 98504-7775 (360) 407-6300



If you have questions

#### Section 10. DRIVING DIRECTIONS

Provide detailed driving directions to the project site: From Interstate 90 heading east, take exit 84. Turn right towards Cle Elum. Turn left onto 1<sup>st</sup> Ave; turn left on South Cle Elum Way; Turn Right on Madison Street; turn left onto Westside Road; Turn left on Rd 3550; Turn left into Tillman Creek.

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Mark Wald		
Print Name	Signature	Date
(Applicant or authorized representative)		
Mark Wald		and the state of t
Print Name	Signature	Date
(Legal Owner or Part Owner Place of Use)		
Maria Wald		
Print Name	Signature	Date
(Legal Owner or Part Owner Place of Use)		
Print Name	Signature	Date
(Legal Owner or Part Owner Place of Use)		

Please check the region in which the project is located:

*Submit your application to:  DEPARTMENT OF ECOLOGY  CASHIERING SECTION  PO BOX 47611	Central Regional Office 15 W Yakima Avenue, Suite 200 Yakima, WA 98902 (509) 575-2490	Eastern Regional Office 4601 N. Monroe Spokane, WA 99205-1295 (509) 329-3400
OLYMPIA, WA 98504-7611	Northwest Regional Office 3190 – 160 <sup>th</sup> Avenue SE Bellevue, WA 98008-5452 (425) 649-7000	Southwest Regional Office PO Box 47775 Olympia, WA 98504-7775 (360) 407-6300

If you have questions about your application, contact the Water Resources program at the regional office in which your project is located.



## **INSTRUCTIONS** for the Application for a Water Right Permit

Please read these instructions carefully. Be accurate and complete in filling out your application, as the information you provide is very important in processing your application. Be sure to attach your <u>fees</u>, <u>maps</u>, <u>and any additional information</u> related to the water uses you are proposing.

If you need assistance, please contact the regional office in which your project will be located. A map of the Ecology regions is on the back page of the application. If your answers to any questions are longer than the space provided, you may attach additional sheets as necessary.

#### **Check Boxes**

Check the appropriate box for Surface or Ground Water.

Check the appropriate box for Permanent, Temporary, or Short Term use (duration of 4 months or less).

#### \*Application Fee

- A minimum fee of \$50.00 is required for each new application for a water right permit.
- No fees are required for applications to be processed under a Cost Reimbursement contract.
- No fees are required for Emergency Drought Applications (only when a drought is declared).

If additional fees are required, Ecology will send you a letter requesting those fees. If you are unsure of the appropriate fee amount, contact your regional office for more information, or visit our website: <a href="http://www.ecy.wa.gov/programs/wr/rights/wr">http://www.ecy.wa.gov/programs/wr/rights/wr</a> fees.html>.

Please make checks or money orders payable to the "Department of Ecology." Cash cannot be accepted. ALL FEES ARE NONREFUNDABLE.

#### Section 1. APPLICANT

Enter the name of the person, organization, or water system for which the water right permit is requested. For instance, if the permit is required for a community water system, enter the name of the system (e.g. Green Acres Water Works). Enter a mailing address, including zip, daytime telephone, an alternate or cell phone number, and an Email address (if you have one).

Provide the name of a contact person (if different from above) to call in case we have questions about the application or proposed project. Describe the relationship of the contact person to the applicant, e.g. "consultant," "water systems engineer," "realtor," "chair of community well organization," etc.

Enter the name of the legal or part owner (person or business) of the land where the water is to be used. Enter a mailing address, including zip, daytime telephone, an alternate or cell phone number, and an Email address (if available).

#### Section 2. STATEMENT OF INTENT

Provide a brief description of the purpose of your proposed project and the anticipated length of time to complete the project.

#### Water Use

List the purpose(s) for which you are proposing to use the water (see examples of purposes below). Check the appropriate box to indicate if the rate you have provided is measured in cubic feet per second or gallons per minute. For each purpose provide the <u>maximum</u> rate at which water is proposed to be taken from the water source. If known, provide the <u>maximum</u> quantity to be used for the purposes in acre-feet per year. Provide period of use (months) in which the water will be used for each purpose. Total the water needs for each purpose of use and write the total within the space provided.

#### Short Term/Temporary Water Use

If this application is being submitted for a short term (less than four months – see Policy 1037) or temporary water use (see Policy 1035), check the appropriate box and indicate the dates the water will be needed.

For more information on Water Resources Program Policies, contact your regional office or visit our website: <a href="http://www.ecy.wa.gov/programs/wr/rules/pol-pro.html#wradminpolicy">http://www.ecy.wa.gov/programs/wr/rules/pol-pro.html#wradminpolicy</a>.

#### Examples of purpose(s)

Be sure that you include ALL uses that you propose, not just the major use of water. Some examples are:

<ul> <li>Dairy</li> </ul>	<ul> <li>Domestic-Multiple</li> </ul>	<ul> <li>Domestic-Single</li> </ul>
<ul> <li>Dust Control</li> </ul>	Fish Propagation	Frost Protection
<ul> <li>Heat Exchange</li> </ul>	<ul> <li>Hydropower</li> </ul>	• Industrial/Manufacturing/Commercial
<ul> <li>Irrigation</li> </ul>	Mining	Municipal
<ul> <li>Stockwater</li> </ul>	Other (describe)	

## Section 3. POINT OF DIVERSION OR WITHDRAWAL

(Complete A or B, and C)

#### A.) If Surface Water Source

Check the appropriate box if you plan to divert water from a spring, creek, river, lake, or other (describe). Enter the source name, e.g. "Wenatchee River." If the source feeds another body of surface water, give the name of the body of water to which the source is a tributary, e.g. "Columbia River." Enter the number of proposed diversion points. Check the appropriate box if you have an existing diversion.

#### B.) If Ground Water Source

Check the appropriate box if you plan to withdraw water from a well or other ground water system (describe). Enter the diameter, depth, and the number of proposed points of withdrawal (wells). Check the appropriate box if you have an existing well. If the well has been constructed, attach a Water Well Report. If you have already done a pump test, attach a copy of the pump test results. Provide the Well Tag ID number, if available.

#### C.) Point of Diversion/Withdrawal Location - Legal Description

Enter the parcel number, quarter-quarter (¼¼), section, township, range and county in which each point of diversion or withdrawal is located. If the location has been platted (subdivided), enter the lot, block, and subdivision name. You can generally obtain this information from a legal description or plat of the property, or from your county assessor's office. If there are more than two points of diversion or withdrawal, attach additional information on a separate sheet of paper.

If known, enter the distances in feet from the nearest section corner to each point of diversion or withdrawal (e.g. 420 feet south and 150 feet west from the Northeast Corner of Section 12). You can obtain this information by measuring the distance on a USGS map, other map drawn to scale, or by measurement on the ground.

Check if you own the land containing the proposed point of diversion/withdrawal. If you don't own the land, provide the owner's name(s), address, and phone number. Please check whether you have legal authority to make this application for use of another's land.

#### Section 4. PLACE OF USE

Attach a legal description of the lands where you propose to use the water or copy it carefully in the space provided. You can usually obtain a legal description from a survey, county assessor's office, real estate contract, title insurance policy, or property deed. Also include the tax parcel number(s) if available.

Check if you own all of the lands on which the proposed place of use is located. If you do not own the lands, provide the owner's name(s), address and phone number. If this is a community or municipal water system, please include a copy of your current and future service area map.

NOTE: Landowner's signature is required in Section 11.

Check if there are any other water rights or claims associated with this property or water system. If yes, provide the water right and/or claim numbers.

Attach a map of your project showing the point(s) of diversion/withdrawal and place of use. If platted property, be sure to include a complete copy of the plat map.

#### Section 5. WATER SYSTEM DESCRIPTION

Provide a description of your proposed project, explaining how you will divert, pump, distribute, and store the water, and any conservation measures you may be taking. Include proposed size, capacity, location, and motor horsepower of any pump.

## Section 6. DOMESTIC WATER SUPPLY SYSTEM INFORMATION

(Complete A or B, and C)

#### A.) Domestic Water Systems

Enter the projected number of connections to be served and the type of connection (e.g. home, recreational cabin).

## B.) Municipal Water Systems (as defined under RCW 90.03.015)

Enter the present population to be served water and estimate the future population to be served (20 year projection).

#### C.) Water System Planning

Check yes if you have a Water System Plan approved by the Washington State Department of Health, Drinking Water Division. Provide the date the plan was approved, as well as the water system number. Enter the name of the water system (e.g. Johnson Point Water Association).

Check yes, if you are within the service area of an existing water system and explain why you are unable to connect to the system.

#### Section 7. IRRIGATION/STOCKWATER/OTHER FARM USES

#### Irrigation

Provide the total number of acres of land to be irrigated in the space provided. The number of acres to be irrigated should not include lands within the general irrigation area that may contain buildings, roads, etc. Outline the area to be irrigated on your attached map from Section 4.

#### Stockwater

Indicate total number of animals receiving stockwater and the type of animal (e.g. goats, chickens, llamas).

Check yes if the proposed project is for a dairy farm.

#### Other Proposed Farm Uses

Describe all other proposed farm uses (e.g. frost protection, heat control, or harvesting) listed in Section 2 and provide the proposed number of acres of land upon which each purpose would occur. Also note other uses of water on the farm (e.g. cleaning the milking parlor, washing cattle, or for a cooling system) and how much water is needed for each use.

#### Family Farm Water Act (RCW 90.66)

In order to comply with the Family Farm Water Act, indicate if you have a controlling interest in more than 6,000 acres of irrigation as defined in RCW 90.66.040(3). This includes the number of acres that are irrigated under water rights acquired after December 8, 1977, acreage that would be irrigated under this application, and acreage proposed to be irrigated under other pending applications on file with the Department of Ecology.

Check yes, if the proposed project is over 6,000 acres.

Enter the permit number(s) of any Family Farm Development Permit in which you hold controlling interest.

#### Section 8. OTHER WATER USES

#### Hydropower

For hydropower projects, indicate the total feet of head and proposed capacity in kilowatts. Describe the proposed diversion facility, including the bypass reach. Indicate all uses to which power is to be applied. Enter the FERC license number.

#### Mining/Industrial Use

Describe use, method of supplying and utilizing water.

## Other Use

Describe any other use(s) of water.

#### Section 9. WATER STORAGE

Check the appropriate box for each question in the above form.

If you answered yes to any of the questions, your project may require a reservoir permit, or an approval from Ecology's Dam Safety Program. For criteria on reservoir permits contact the regional office in which your project is located.

#### Section 10. DRIVING DIRECTIONS

Provide detailed driving directions from the nearest town to the project site. If applicable, provide the site address.

#### Section 11. REQUIRED SIGNATURES

The applicant or authorized representative (e.g. the Public Works Director of a municipality, or the chair of a community water system) AND the legal owner(s) or part owner of the place of use MUST sign the application.



# App Supporting Docs

Document Type Code - 28 (Bar-code 39, Font 48)

#### **GROUNDWATER MITIGATION AGREEMENT**

THIS AGREEMENT is made and entered into effective the 12 day of ARIL, 2010, between:

Seller:	Suncadia, LLC	Buyer:	Mark and Maria Wald
Address:	4244 Bullfrog Road, Suite 1	Address:	1501 35th Ave S.
	P.O. Box 1		Seattle, WA 98144
	Cle Elum, WA 98922		

#### 1. RECITALS

- 1.1 Suncadia owns surface water rights from the Yakima River, which are described in Exhibit A and referred to in this Agreement as the "Suncadia Trust Water Rights." Suncadia has received approval from the Washington State Department of Ecology ("Ecology") to transfer the Suncadia Trust Water Rights to the State Trust Water Program, to be used for water banking purposes under Chapter 90.42 RCW. The Suncadia Trust Water Rights can be used to provide mitigation for consumptive water uses associated with domestic water use and incidental irrigation for lawn and noncommercial garden use ("Consumptive Water Use").
- **1.2** Buyer owns real property in Kittitas County, Washington, legally described in Exhibit B and referred to in this Agreement as "Buyer's Property." Buyer desires to obtain mitigation for Consumptive Water Use impacts associated with the development of Buyer's Property.
- **1.3** Suncadia is willing to provide mitigation for Consumptive Water Use on Buyer's Property, as provided in this Agreement.

#### 2. AGREEMENT

IN CONSIDERATION of the foregoing and the performance of mutual covenants herein, the parties agree as follows:

2.1 <u>Mitigation Water Supply.</u> -- Suncadia agrees to sell to Buyer, and Buyer agrees to purchase from Suncadia, a beneficial interest in a portion of Suncadia's Trust Water Rights, as mitigation for Consumptive Water Use impacts associated with development of Buyer's Property, under the terms and conditions provided under this Agreement. Buyer requests and Suncadia agrees to provide Consumptive Water Use mitigation as follows:

Residential units, connected to an approved sewer system
Residential units, connected to an approved septic system
Square feet of lawn or noncommercial garden

- **2.2** Purchase Price. -- As consideration for the Groundwater Mitigation Certificate provided to Buyer under this Agreement, Buyer agrees to pay to Suncadia the sum of five thousand seven hundred dollars and 00/100 dollars (\$5,700.00) ("Purchase Price").
- 2.3 Payment of Purchase Price. -- Buyer shall, within five (5) days from execution of this Agreement, deposit a down payment in the amount of twenty percent (20%) of the Purchase Price in an escrow account with AmeriTitle, Inc., Cle Elum office, located at 127 E. 1<sup>st</sup> Street, Cle Elum, Washington ("AmeriTitle"). The down payment shall be refundable to Buyer if Ecology denies Buyer's request for a Water Budget Neutral Determination or Water Right Permit, but is not otherwise refundable to Buyer. Buyer shall deposit the balance of the Purchase Price into the escrow account no later than seven (7) days prior to closing.

- 2.4 Groundwater Mitigation Certificate. -- No later than seven (7) days prior to closing as provided under this Agreement, Suncadia will deliver to escrow a "Groundwater Mitigation Certificate", which demonstrates the availability of mitigation for the contemplated Consumptive Water Use on Buyer's Property as provided in this Agreement. The Groundwater Mitigation Certificate will be in a form that is suitable for recording with the County Auditor. The Groundwater Mitigation Certificate will remain appurtenant to the Buyer's Property and title to the Groundwater Mitigation Certificate will run with the land. The Groundwater Mitigation Certificate cannot be transferred to another place of use or point of withdrawal without Suncadia's prior written consent.
- 2.5 Closing. -- Closing shall take place in the offices of AmeriTitle, no later than thirty (30) days from the date Ecology conditionally approves Buyer's application for a Water Budget Neutral Determination or Water Right Permit. At closing, the Groundwater Mitigation Certificate will be delivered from escrow to Buyer, and the balance of the Purchase Price, after costs, shall be delivered from escrow to Suncadia. Promptly after the closing, AmeriTitle shall cause the Groundwater Mitigation Certificate to be recorded in Kittitas County and after recording, the recorded Groundwater Mitigation Certificate shall be forwarded to Buyer. Except as otherwise provided in this Agreement, sale of the Groundwater Mitigation Certificate is without recourse after closing. Any proceeds remaining in escrow that are not otherwise refundable to Buyer will be disbursed to Suncadia if closing does not occur within 180 days after the date of this Agreement.
- 2.6. Costs. -- Buyer will pay all closing costs except fifty percent (50%) of the escrow fee, which will be paid by Suncadia from the sale proceeds. Costs to be paid by Buyer include Washington State and Kittitas County real estate excise taxes, County and State permit processing fees (if applicable), fifty percent (50%) of the escrow fee, and document preparation and recording fees. Buyer will be responsible for all costs associated with seeking approval from Ecology for a Water Budget Neutral Determination or Water Right Permit, and for a Water Availability Determination and Well Site Inspection/Well Site Review from Kittitas County, if required. A good-faith estimate of closing costs is attached to this Agreement as Exhibit C and incorporated by reference.
- **2.7** Conditions. -- Notwithstanding any other provision of this Agreement, the obligations of the parties under this Agreement are contingent on conditional approval by Ecology for a Water Budget Neutral Determination or a Water Right Permit for the contemplated Consumptive Water Use on Buyer's Property, and approval by Kittitas County for a Water Availability Determination and Well Site Inspection/Well Site Review, if required.
- 2.8. <u>Buyer's Obligations</u>. No later than fourteen (14) days after the date of execution of this Agreement, Buyer shall apply to Ecology for approval of a Water Budget Neutral Determination or a Water Right Permit for the contemplated Consumptive Water Use on Buyer's Property. Buyer and Suncadia shall cooperate in good faith and in every proper and legal way to seek Ecology approval for Buyer's application.

After closing Buyer and its heirs, personal representatives, assigns and other successors-ininterest shall utilize Consumptive Water Use for which mitigation is provided under the Groundwater Mitigation Certificate only on Buyer's Property and in a manner consistent with Buyer's ownership of a Groundwater Mitigation Certificate as provided under this Agreement.

- 2.9. <u>Property Inspection</u>. -- During the term of this Agreement, and prior to final approval by Ecology of a Water Budget Neutral Determination or a Water Right Permit for the contemplated Consumptive Water Use on Buyer's Property, Suncadia and its employees, representatives, and agents shall have the right to enter upon Buyer's Property for purposes of inspection of any existing or proposed well location and other water uses on Buyer's Property.
- **2.10.** Buyer's Representations and Warranties. -- Buyer represents and warrants to Suncadia that Buyer has made, or will have made by closing of escrow, such independent investigation of the groundwater mitigation (provided to Buyer under this Agreement or other authorization) that Buyer deems necessary or appropriate to determine the suitability, fitness and/or

adequacy of such groundwater mitigation for Buyer's intended Consumptive Water Use on Buyer's Property. Buyer agrees it will not use water on Buyer's Property exceeding the amount for which groundwater mitigation is provided pursuant to this Agreement or to which Buyer is otherwise authorized to use under state law or contract.

- **2.11.** Setbacks and Buffers. Buyer will agree to develop groundwater for Buyer's Property in a manner that complies with all applicable wellhead protection, wetland and riparian habitat buffers.
- **2.12.** Suncadia's Escrow Disclosure. -- AmeriTitle is the escrow agent for this transaction. Suncadia hereby discloses to Buyer that AmeriTitle is owned by JELD-WEN, Inc., which also is a part owner of Suncadia, LLC. Suncadia wants to call this to the Buyer's attention in order to be perfectly fair and open. Suncadia does not believe that the common ownership interest will prevent Suncadia or AmeriTitle from being fair and impartial with Buyer. Nevertheless, Buyer may request that this transaction be closed by some other licensed escrow agent, if desired.
- 2.12. <u>Suncadia Representations and Warranties</u>. The only representations, agreements and warranties made by Suncadia are those set forth in writing in this Agreement. EXCEPT FOR THE REPRESENTATIONS, AGREEMENTS AND WARRANTIES SET FORTH IN THIS AGREEMENT, SUNCADIA MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE SUITABILITY OR FITNESS OF THE GROUNDWATER MITIGATION PROVIDED UNDER THIS AGREEMENT FOR ANY PURPOSE.

#### 3. GENERAL PROVISIONS

- 3.1 <u>Entire Agreement</u>. -- This Agreement contains the entire agreement between Suncadia and Buyer with respect to the subject matter contained herein. There are no agreements, promises, assurances, representations, warranties, undertakings or understandings, either written or oral, between the parties other than those set forth in this Agreement.
- **3.2** Severability. -- The provisions of this Agreement are severable. If any provision is held to be invalid or unenforceable, it shall be enforced to the fullest extent allowed by law in that and other contexts, and the validity and force of the remainder of this Agreement shall not be affected thereby.
- 3.3 <u>Indemnification</u>. -- The parties agree to indemnify and hold each other and their respective officers, employees and agents harmless from any claims of third parties for acts or omissions of either party arising under or related to this Agreement.
- **3.4** Assignment. -- This Agreement is binding on and accrues to the benefit of Suncadia and the Buyer and their respective successors and assigns. The Buyer may not assign its interest in this Agreement without Suncadia's prior written consent.
- 3.5 <u>Default.</u> -- If, after expiration of any rescission right period provided for by law, Buyer breaches any covenant or condition contained in this Agreement, the Deposit shall be forfeited to Suncadia as the sole and exclusive remedy available to Suncadia for the default. Suncadia and the Buyer agree that Escrow Agent shall deliver such amount to Suncadia as liquidated damages and not as a penalty.
- 3.6 Notice. -- Notices under this Agreement shall be in writing directed to the other party at the address shown above, and shall be effective, unless otherwise provided by law, (i) if mailed, on the third day after deposit as registered or certified mail, postage prepaid, (ii) if sent by overnight delivery using a nationally recognized courier service, one business day after deposit with such courier, (iii) if sent by facsimile, upon confirmed transmission to the address, or (iv) if sent by personal delivery, upon receipt by the addressee. Either party may change its address for notices by at least five days' advance written notice to the other.

- 3.7 <u>Prohibition Against Recordation.</u> Buyer shall not cause or allow this Agreement, or a short form memorandum or an assignment of this Agreement to become public record without Seller's prior written consent, which consent may be withheld by Seller in its sole discretion.
- 3.8 Survival. All warranties and representations contained in this Agreement shall survive closing and the execution and delivery of any documents at the Closing date, and shall not be merged into any document delivered by Suncadia or Buyer at the Closing Date. All provisions which contemplate performance after the Closing Date, shall survive termination of this Agreement and the Closing Date, and shall not be so merged.
- 3.9 <u>Amendment</u>. This Agreement may be amended only by an instrument in writing signed by both parties. No changes, alterations or modifications hereto shall be effective unless made in writing and signed by both parties.
- 3.10 Weiver. If either party fails to exercise its rights under this Agreement, it shall not be precluded from subsequent exercise of its rights. A failure to exercise rights shall not constitute a waiver of any other rights under this Agreement.
- 3.11 Governing Law. This Agreement shall be governed and enforced under the laws of the State of Washington. Venue for any action arising under or related to this Agreement shall lie in Kittitas County, Washington.

In witness of the foregoing provisions, the parties have signed this Agreement below:

Buyer Mark and Maria Wald	Suncadia
	By: Suncadia, LLC, a Delaware limited liability company
	By: Easton Ridge Investors, LLC, a Delaware limited liability company Its Managing Member
By: MANINE	By: 1/1
Name: Mark Wald	Name Paul Ersenberghammer Sourie Vice Prescus
Date: 4-13-10	Date: Source VILLE PRESCUA
By Filest Palel	By: Jan Collette
Name, Maria Wald	Name Sacr A Bareau
Date: 4-13-10	Title VP Date: 4/11/10

## **EXHIBIT A -- SUNCADIA TRUST WATER RIGHTS**

Name:

Suncadia LLC (former MTA Holdings, LLC

(Anderson))

Water Right Number:

Court Claim 05259

Name:

Suncadia LLC (former Anderson Development Properties, LLC (Anderson))

Water Right Number:

Court Claim 00626

#### **EXHIBIT B - BUYER'S REAL PROPERTY**

Parcel 2 of that certain Survey as recorded September 30, 2004, in Book 30 of Surveys, Pages 147-149, under Auditor's File No. 200409300027, records of Kittitas County, Washington; being a portion of Section 9, Township 19 North, Range 15 East, W.M., in the County of Kittitas, State of Washington.

Kittitas County Parcel No. 11823

#### EXHIBIT C - GOOD FAITH ESTIMATE OF CLOSING COSTS

## **Groundwater Mitigation Cost Estimate**

Summary of Buyer's Transaction

Closing Costs	
Escrow Fee (50% paid by Buyer, 50% by Suncadia) \$ 175.50	
Document Preparation Fee 300.00	
Real Estate Excise Tax 87.21	
Excise Tax Affidavit Filing Fee 5.00	
County Water Availability Fee* 375.00	
Ecology Processing Fee TBD	
	942.71
Total Closing Costs	
Total Purchase Price and	
Closing Costs	\$ 6,642.71

<sup>\*</sup> Kittitas County's Water Availability Fee ranges from \$ 50.00 to \$375.00, depending on whether the applicant is required to apply for a Well Site Review or Well Site Inspection and whether the applicant also is requesting a building permit or land division approval.

#### AMENDMENT TO GROUNDWATER MITIGATION AGREEMENT

That Agreement between Suncadia, LLC, and Mark and Maria Wald entered into on April 19, 2010, is hereby amended as follows:

Section 1. - Section 2.5 of the Agreement is amended to read as follows:

Closing. -- Closing shall take place in the offices of AmeriTitle, no later than forty-five (45) days from the date Ecology conditionally approves Buyer's application for a Water Budget Neutral Determination or Water Right Permit. At closing, the Groundwater Mitigation Certificate will be delivered from escrow to Buyer, and the balance of the Purchase Price, after costs, shall be delivered from escrow to Suncadia. Promptly after the closing, AmeriTitle shall cause the Groundwater Mitigation Certificate to be recorded in Kittitas County and after recording, the recorded Groundwater Mitigation Certificate shall be forwarded to Buyer. Except as otherwise provided in this Agreement, sale of the Groundwater Mitigation Certificate is without recourse after closing. Any proceeds remaining in escrow that are not otherwise refundable to Buyer will be disbursed to Suncadia If closing does not occur within one (1) year after the date of this Agreement."

In witness of the foregoing provisions, the parties have signed this Agreement below:

#### Buyer

By: Mark and Marla Wald

Name: Mark Wald Title:

Date: 3-2-//

Name: Maria Wald

Title:

Date:

#### Suncadla

By: Suncadia, LLC, a Delaware limited liability company

By: Easton Ridge Investors, LLC,

a Delaware limited liability company Its Managing Member

By:

Name: Paul Elsenberg Title: Senior Vice President -11-2011

Date:

By:

Name: Gary Kittleson Title: Vice President

Date: 3/14/11

#### SECOND AMENDMENT TO GROUNDWATER MITIGATION AGREEMENT

That agreement between Suncadia, LLC and Mark and Maria Wald entered into on April 19, 2010, first amended on March 14, 2011, is hereby amended a second time as follows:

Section 1. - Section 2.5 of the Agreement is hereby amended to read as follows:

"2.5 Closing. -- Closing shall take place in the offices of AmeriTitle, no later than 45 days after Ecology conditionally approves the Water Budget Neutral Determination or Water Right Permit. At closing, the Groundwater Mitigation Certificate will be delivered from escrow to Buyer, and the balance of the Purchase Price, after costs, shall be delivered from escrow to Suncadia. Promptly after the closing, AmeriTitle shall cause the Groundwater Mitigation Certificate to be recorded in Kittitas County and after recording, the recorded Groundwater Mitigation Certificate shall be forwarded to Buyer. Except as otherwise provided in this Agreement, sale of the Groundwater Mitigation Certificate is without recourse after closing. Any proceeds remaining in escrow that are not otherwise refundable to Buyer will be disbursed to Suncadia if closing does not occur within two (2) years after the date of this Agreement."

Section 2. - Section 2.13 of the Agreement is hereby amended to add as follows:

"2.14. In-Basin Mitigation. - Ecology may require that Buyer also provide in-basin mitigation to offset the Buyer's Consumptive Water Use requirements during low flow periods. The Buyer is solely responsible for all costs associated with meeting those requirements. Buyer shall deposit Buyer's proportionate share of the initial in-basin mitigation costs into an escrow account at AmeriTitle. Buyer also agrees to pay a proportionate share of the annual operation and maintenance costs for any flow augmentation facility required by Ecology as a condition for approval of Buyer's request for a water budget neutral determination or water right permit, as appropriate."

In witness of the foregoing provisions, the parties have signed this Agreement below:

Buyer

By: Mark and Maria Wald

Suncadia

By: Suncadia, LLC,

a Delaware limited liability company

-By: Easten Ridge Investors, LLC-

a Delaware-limited-liability-company

Its Managing-Member

By: Name: Mark Wald

Date: 4-20-11

Name: Maria Wald

Date: 4-20-11

Name. Paul Eisenberg

Title: Senior Vice President

Date: 7-2811

By: -Name: Gary Kittleson

Title: Vice President

Date: 7/28/11

Please print, sign and return to the Department of Ecology

Water Well Report	Current Notice of Intent No. W-254	315
Original - Ecology, 1st copy - owner, 2ad copy - driller	Notice of Intent No.	C-117
Construction/Decommission  Construction  26763 7	Unique Ecology Well ID Tag No.	
Construction CRIGINAL INSTALLATION Notice	Water Right Permit No.	
of Intent Number	Property Owner Name MARK V	VACO
	Well Street Address WEST STA	
PROPOSED USE:   Domestic   Industrial   Municipal   DeWater   Irrigation   Test Well   Other	City Cle Elem County 15	THETTAS
TYPE OF WORK: Owner's number of well (if more than one)	Location 14-1/4 W 1/4 Sec 9 Twn 19	R 15 circle circle
New well Reconditioned Method: Dug Bored Driven Cable Rotary Jetted	Lat/Long (s, t, r Lat Deg Lat	www
DIMENSIONS: Diameter of well inches, drilled ft.	still REQUIRED ) Long Deg Lo.	ng Min/Sec
Depth of completed well 100 ft CONSTRUCTION DETAILS	Tax Parcel No. 191509000	-0012
Casing A Welded 6 " Diam. from 72 ft. to 168 ft.		
Casing Installed:         Welded         0 " Diam. from #2 ft. to 168 ft.         ft. to 6 ft.           Installed:         Liner installed         " Diam. from ft. to 6.         ft. to 6.           Installed:         Diam. from ft. to 6.         ft. to 6.	CONSTRUCTION OR DECOMMISSIO	
Perforations: Yes No	Formation: Describe by color, character, size of material and nature of the material in each stratum penetrated, with at least	
Type of perforator usedin. byin. and no. of perfsft. toft.	information indicate all water encountered. (USE ADDITION	
Screens: Yes No K-Pac Location	MATERIAL	FROM TO
Manufacturer's Name	BOUDERS & BROWN ELKY	
Type         Model No.           Diam.         Slot size         from         ft. to         ft.	BROWN CLASS & GENERAL !	6 34
Diam Slot size from P to A	CHEVEL!	36 74
Gravel/Filter packed: Yes XNo Size of gravel/sand  Materials placed from A. to A.	BROWN CLAY & BOULDERS	102 143
SurFace Scal: : Yes No To what depth? ft.	BRIMIN CLASSIANS TONE	143 167
Material used in seal RENTONITE	GEAVER OF WATER	162 170
Did any strata contain unusable water?		
Type of water? Depth of strata  Method of sealing strata off		
PUMP: Manufacturer's Name	ELOLA	GY
Туре:	A. Sing	
WATER LEVELS: and surface elevation above mean sea level	A Rec	700 0
Static level	The state of the s	0
Artesian water is controlled by	1.00	10
(cap, valve, etc.)  WELL TESTS: Drawdown is amount water level is lowered below static level	Corre	AL RES
Was a pump test made? Yes Who If yes, by whom?		
Yield: gal./min, with fl. drawdown after hrs.		
Yield: gal/min, with ft, drawdown after hrs.  Yield: gal/min, with ft, drawdown after hrs.	-	
Recovery data (time taken as zero when pump turned off) (water level measured from well top to water level)		
Time Water Level Time Water Level Time Water Level		
Date of test		
Bailer testgal./min. withft. drawdown afterhrs.		
Airtest O gal./min. with stem set at 160 ft. for hrs.		
Artesian flow g.p.m Date	-1/	1
Temperature of water Was a chemical analysis made?  Yes No	Start Date 7/18/06 Complete	ed Date 1/18/06
YELL CONSTRUCTION CERTIFICATION: I constructed and/or ac		7 7 7
Vashington well construction standard. Materials used and the informat	ion reported above are true to my best knowledge as	
riller/Engineer/Trainee Name (Print)		KIS DREW
willer/Engineer/Truinee Signature	Address P.0.1350 993	99945
riller or trainee License No. 02 728	City, State, Zip Selatt, UM	10112
f TRAINEE. Driller's Licensed No.	Contractor's Registration Not TODEL 9590K	Date 7/19/06
Driller's Signature	Ecology is an Equal Opportunity Employer.	ECY 050-1-20 (Rev 2/0

Upon Recording Return to: Mark and Maria Wald 1501 35<sup>th</sup> Ave. S. Seattle, WA 98144

DOCUMENT TITLE:

**DECLARATION OF COVENANT** 

(ONSITE SEPTIC SYSTEM)

**GRANTORS:** 

MARK AND MARIA WALD

PARTIAL LEGAL DESCRIPTION:

PARCEL 2, SURVEY SEPTEMBER 30, 2004,

B30/P147-149

ASSESSOR'S TAX PARCEL NOS.:

11823

## DECLARATION OF COVENANT (ONSITE SEWAGE SYSTEM)

THE GRANTORS are the owners in fee simple of the following described real property in Kittitas County, Washington, to wit:

Parcel 2 of that certain Survey as recorded September 30, 2004, in Book 30 of Surveys, Pages 147-149, under Auditors File No. 200409300027, records of Kittitas County, Washington; being a portion of Section 9, Township 19 North, Range 15 East W.M., in the County of Kittitas, State of Washington.

on which Grantors are permitted to own and operate an onsite sewer system pursuant to state administrative rule or county ordinance.

THE GRANTORS agree and covenant that said Grantors, and Grantors' heirs, successors and assigns shall not plant or maintain, or suffer to be planted or maintained, any trees or shrubs over said septic systems drain field.

These covenants shall run with the land and shall be binding on all parties having or acquiring any right, title, or interest in the land described herein or any part thereof, and shall insure to the benefit or each owner thereof.

Dated this Aday of MAY, 2010,

By

Mark Wald

Maria Wald

STATE OF WASHINGTON	)
	)ss
COUNTY OF King	)

I certify that I know or have satisfactory evidence that Mark Wald is the person who appeared before me, and that person acknowledged signing this instrument and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

SUBSCRIBED and SWORN to before me this 28 day of May 2010. Name. Jessica Kuchas NOTARY PUBLIC in and for the State of Washington, residing at Seattle, WA My Commission expires: 15/12/13 STATE OF WASHINGTON )ss. COUNTY OF Kins

I certify that I know or have satisfactory evidence that Maria Wald is the person who appeared before me, and that person acknowledged signing this instrument and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

SUBSCRIBED and SWORN to before me this 25th day of MAY

Name Jessica Kucha

NOTARY PUBLIC in and for the State of Washington, residing at Seattle, wa.

My Commission expires: 5719/13